

STATE OF MAINE
PUBLIC UTILITIES COMMISSION

Docket No. 2003-47

May 13, 2003

VINALHAVEN WATER DISTRICT
Proposed Tariff Revision For
System Development Charges

ORDER

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

I. SUMMARY

We approve a System Development Charge (SDC) for the Vinalhaven Water District (District). This new charge will apply to all new customers, and existing customers who increase their meter size. The new charge does not apply to municipal or private fire protection service.

II. BACKGROUND

On January 22, 2003, the Vinalhaven Water District filed with the Commission certain rate schedules and other required documents pursuant to 35-A M.R.S.A. §§ 307 and 6107. The District filing contained a Schedule of System Development Charge consisting of Original Sheets 1 and 2. The filing contemplates the imposition of an SDC on all new customers or existing customers who increase their demand for water as measured by an increase in the size or number of meters. The filing exempts all fire protection service from the SDC. The District, after a meeting with Commission Staff, filed a revised Schedule of System Development Charge on May 6, 2003. The revised schedule consists of Original Sheets 1 and 2 filed on May 6, 2003.

III. DECISION

The filing allows the District to charge a SDC for new customers or customers who increase their meter size. The SDC for each meter size through 2" has been determined as described in Exhibit 1 attached to this Order. The SDC for meters larger than 2" will be calculated, using the same method, based upon the District's estimate of the consumption at that location (this charge will be adjusted after 3 years of service, based upon the average usage during the 2nd and 3rd years).

In accordance with 35-A M.R.S.A. §6107(5), the District must report to the Commission its efforts at implementing water conservation programs before instituting a SDC. The District has undertaken the following efforts:

1. Initiated a conservation strategy and plan in 1999 upon the conclusion of an unsuccessful groundwater exploration program.
2. Completed the major improvements, identified by its consultants, aimed at conserving its Round Pond water source.
3. Participated in the development of the Town's comprehensive plan to ensure that the limited water supply issue was given adequate consideration.
4. Encouraged water conservation through public education, newsletters and public notices. Landlords have also been provided "use water wisely" information cards for distribution to their tenants.
5. In 2000, installed meters for all of its accounts.
6. Realized that its customers, with an average residential consumption of 102 gallons/day, are efficient users of water. Average residential usage is approximately 35% below the state and national usages. Additional conservation efforts with existing customers are unlikely to generate significant reductions in water consumption.

We find the method of calculating the System Development Charge and the charge to be just and reasonable and will approve it. We will also require that the District file, as an attachment to its Annual Report, an accounting and review of the charge, by meter size, collected during that year. Every two years from the date of this Order, the District will conduct a more comprehensive review of the SDC to ensure that the charge is meeting the needs of the District and is correctly designed.

Accordingly, we

O R D E R

1. That, beginning May 12, 2003, the Vinalhaven Water District is authorized to impose system development charge for new customers or customers who increase their meter size;
2. That the Vinalhaven Water District Schedule of System Development Charge, consisting of Sheets 1 and 2 – both Original, filed on May 6, 2003, shall become effective on May 12, 2003;
3. That the Vinalhaven Water District shall file, as an attachment to its annual report, an accounting and review of the system development charge, by meter size, collected during that year; and

4. That the Vinalhaven Water District shall conduct, every two years, a comprehensive review of the system development charge to ensure that the charge is adequately meeting the needs of the District and is correctly designed. The charge shall be adjusted, at this time, for changes in construction costs.

Dated at Augusta, Maine, this 13^h day of May, 2003.

BY ORDER OF THE COMMISSION

Dennis L. Keschl
Administrative Director

COMMISSIONERS VOTING FOR: Welch

Diamond

COMMISSIONERS ABSENT:

Nugent

NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within **21 days** of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Appellate Procedure.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.